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January 4, 2006

VIA HAND DELIVERY

The Honorable Kent A. Jordan
U.S. District Court for the
District of Delaware
844 N. King Street, Room 4209
Lock Box 10
Wilmington, DE 19801

Re: William R. Davis, as executor of the estate of James W. Davis, Sr., deceased v. Raymond James & Associates, Inc. and Christine M. Poffenbarger v. William R. Davis, James W. Davis, Jr. and Linda M. Troutt, and Star Enterprise, Inc.
C. A. No.: 05-288 (KAJ)

Dear Judge Jordan:

Pursuant to paragraph 7 of the Scheduling Order dated October 7, 2005, this letter is intended to serve as Defendant, Third-Party Plaintiff Christine M. Poffenbarger's interim status report required to be submitted to Your Honor. Counsel for Raymond James & Associates, Inc. and Star Enterprise, Inc. have reviewed this letter and have advised that they concur with the statements contained herein.

A. Nature of the Matters in Issue

On or about November 29, 2004, William R. Davis, as Executor of the Estate of James W. Davis, Sr. ("Executor"), filed an action against Raymond James & Associates, Inc. ("Raymond James") and Christine M. Poffenbarger ("Ms. Poffenbarger"), Civil Action Number 873-N, in the Court of Chancery of the State of Delaware. At issue in the original Complaint is whether certain IRA funds held by Raymond James should be delivered to the named beneficiary, Christine Poffenbarger, or delivered to the Estate

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of James W. Davis, Sr. to be distributed to Mr. Davis' children: William R. Davis, James W. Davis, Jr. and Linda M. Troutt (the "Davis Children").

On or about March 18, 2005, Ms. Poffenbarger filed an Answer to the Complaint, a Counterclaim against the Executor, a Crossclaim against Raymond James and a Third-Party Complaint against the Davis Children and Star Enterprise, Inc. The Answer/Counterclaim/Crossclaim all involved the same IRA issues as the Complaint. The Third-Party Complaint raised new issues over who was to receive certain payments pursuant to the pension plan of James W. Davis, Sr. Star Enterprise, Inc. ("Star Enterprise"), administered the pension plan and had been distributing pension payments, pursuant to a beneficiary designation, to the Davis Children. Ms. Poffenbarger was aware that a different beneficiary designation was made in connection with an election by James W. Davis, Sr. to receive his pension plan payments over a guaranteed ten (10) year period.

On or about May 12, 2005, Star Enterprise filed a Notice of Removal of the Chancery Court action to the United States District Court for the District of Delaware, at which time Your Honor was assigned to this matter. Since the removal of this action to the District Court, Raymond James has moved for interpleader in this matter. The interpleader Motion was granted and Raymond James has interpled the IRA funds to the District Court. Also, Star Enterprise filed a Motion to Dismiss Ms. Poffenbarger's Third-Party Complaint against it, arguing that Ms. Poffenbarger had not exhausted her administrative remedies, as required by ERISA, under the terms of the Star Enterprise Pension Plan.

To date, the Court has not issued a formal decision on Star Enterprise's Motion to Dismiss. In the interim, Ms. Poffenbarger demanded receipt of the pension payments by letter dated October 14, 2005. This demand was supported by Star Enterprise discovering the beneficiary designation form by which James W. Davis, Sr. designated Ms. Poffenbarger as his beneficiary, pursuant to the terms of the pension plan. The Plan Administrator made the determination that Ms. Poffenbarger was the correct beneficiary and has since made a remedial payment to Ms. Poffenbarger for the amounts due through the end of calendar year 2005. As such, Star Enterprise's Motion to Dismiss has been rendered moot and the Court no longer needs to decide this Motion. Counsel for all parties need to confer and follow-up with the Court as to whether Ms. Poffenbarger's Third-Party Complaint should continue as an active matter or should be

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dismissed based upon the recent action of Star Enterprise with all remaining state law issues concerning the IRA being remanded to the Court of Chancery for resolution. Counsel for Star Enterprise believes that Ms. Poffenbarger's Third-Party Complaint should be dismissed as moot.

B. Progress of Discovery to Date

During the course of the original Chancery Court litigation, the Executor served Requests for Production, Requests for Admissions and Interrogatories upon Ms. Poffenbarger. Responses to above Interrogatory Requests did not become due until after removal of the matter to the District Court. Ms. Poffenbarger served responses to the above discovery requests on or about June 8, 2005. Further, Initial Disclosures were served by Ms. Poffenbarger and by the Executor and the Davis Children on all parties. To date, no other written discovery has been served by any party and no depositions have been taken. The deposition of Thomas Talley of Raymond James was scheduled, but was postponed, due to a scheduling conflict. Mr. Talley's deposition has yet to be rescheduled. Paragraph 3(f) of the Scheduling Order stayed discovery on Ms. Poffenbarger's Third-Party Complaint, pending the decision of the Court on Star Enterprise's Motion to Dismiss.

This matter was referred to Magistrate Judge Thynge for mediation scheduled to take place on June 2, 2006. Counsel is available to discuss this matter at the status conference scheduled for Wednesday, January 11, 2006 at 2:30 p.m. or otherwise, at the Court's convenience.

Respectfully,

/s/ Peter M. Sweeney

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PMS/pas

cc: Clerk of the Court
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